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WHEAT QUOTA REFERENDUM

AUG 23 1955

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DEPARTMENT OF AGRICULTURE

On July 23 wheat growers will vote for or against a marketing quota program for the 1955 crop.

As required by law, the Secretary of Agriculture has proclaimed wheat quotas—subject to a grower referendum. At least two-thirds of the eligible farmers who vote must approve quotas before they can be put into effect.

The final decision on whether or not quota controls will apply to 1955 wheat production will therefore be made by farmers themselves.

If the Vote is "YES"

- Marketing quotas will be in effect for all farms where the wheat acreage maturing for grain is more than 15 acres.
- Marketing penalties will apply to all "excess" wheat produced on individual farms.
- Price support at the effective level will be available to all farmers who comply with their wheat acreage allotments—if they also comply with any other crop allotments and total acreage allotments established for their farms.

If the Vote is "NO"

- There will be no marketing quotas, and no marketing penalties on "excess" wheat.
- Price support, under legislative provisions, will be 50 percent of parity.
- Any producers who fail to comply with their wheat or other crop allotment, or with a total acreage allotment if one is established for their farms, will not be eligible for price supports.

What's the Supply Situation?

The controlling legislation requires a quota proclamation whenever the total supply of wheat is more than 20 percent above the "normal supply", as determined under the formula of the law. Actually the total supply available for the 1954-55 marketing year is estimated to be 1 billion 900 million bushels—an all-time record, and about 79 percent more than the "normal supply" figure of 1 billion 63 million bushels.

How does the Program Work?

Acreage allotments are the basis for quota administration. This is the way the program works.

The national wheat acreage allotment for 1955 is 55 million acres—the level specified by current legislation under present supply conditions.

The national acreage allotment is apportioned among the States, and the State allotments among the counties, on the basis of the acreage seeded to wheat in the preceding 10 years.

Each individual farm allotment is a share of the county allotment, with consideration in each case for past acreage of wheat, tillable acres in the farm, crop rotation practices, types of soil, and slope and lay of the land.

In general, each farm where wheat was grown in 1952, 1953, or 1954 will be assigned an acreage allotment.

If marketing quotas are approved in the July 23 referendum, they will apply to all farms with more than 15 acres of wheat to be harvested as grain. The marketing quota for the individual farm to which quotas apply will be the wheat actually produced in 1955 from the farm allotment.

If wheat acreage on the farm is within the acreage allotment, the producer can market all of his 1955-crop wheat as he wishes—and he is also eligible for the full price support which is in effect (if he is in compliance with other allotments on his farm).

If the wheat acreage is greater than the farm's acreage allotment, a marketing penalty (45 percent of parity price) will be assessed against the normal yield of wheat grown on acres in excess of the allotment. When the penalty is paid, the producer is then free to market his wheat in any way he chooses—but he is not eligible for price support.

Allotments without Quotas?

Marketing quotas cannot be in effect without acreage allotments. Acreage allotments, however, can be in effect without quotas, and the controlling legislation provides that wheat acreage allotments are to be established every year unless suspended because of emergency situations.

Acreage allotments, therefore, will be in effect for the 1955 wheat crop, even if marketing quotas should be disapproved, but there would be no quota penalties.

How about Diverted Acres?

In order to prevent the shifting of surpluses from one crop to another, wheat and other producers will be required to comply with all acreage allotments established for their farms in 1955 in order to be eligible for price support on any crop. In addition, if more than 10 acres on the farm are diverted from allotment crops, the producer will have to stay within a "total acreage allotment" for his farm as a condition of price support eligibility. All crops on the farm except hay, cover crops, green manure crops, pasture, idle cropland, and summer fallow will be included in this total acreage allotment.

The cross-compliance requirement is still in effect when the wheat allotment is less than 15 acres. The 15 acre "breaking point" applies to marketing quotas, but not acreage allotments.

Price Support Levels?

The specific price support level for the 1955 wheat crop had not yet been established at the time this leaflet was prepared. The level will apparently be within a range of from 90 to 75 percent of the parity price, depending on possible Congressional action and administrative decisions.

As soon as the price support level is determined, every effort will be made to get the information to wheat producers promptly through all available channels of communication.

Who can Vote?

Any wheat producer who will have in excess of 15 acres of wheat for harvest as grain in 1955 is eligible to vote in the referendum.

When and Where to Vote?

Wheat quota referendum date—July 23, 1954.

Local voting places will be established and announced for each county where wheat is grown.

Get information on local voting places, hours of voting, locally eligible voters, and program details from the county Agricultural Stabilization and Conservation Office, or from county or community ASC committeemen.

WHEAT FARMERS SHOULD STUDY THE SITUATION CAREFULLY, MAKE THEIR DECISION WITH FULL UNDERSTANDING, AND THEN BE SURE TO VOTE. IT IS AN IMPORTANT DECISION—AND IT'S THEIR DECISION.

U.S. DEPARTMENT OF AGRICULTURE

U.S. COMMODITY STABILIZATION SERVICE

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